



ADAAK TELEPHONE UTILITY
ADAAK CABLEVISION
WINDY CITY BROADBAND
WINDY CITY CELLULAR

July 29, 2013

Ms. Marlene H. Dortch, Secretary
Federal Communication Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Adak Eagle Enterprises, LLC and Windy City Cellular, LLC Notice of Ex Parte

Dear Ms. Dortch:

On July 29, 2013, Larry Mayes, Chief Executive Officer of Adak Eagle Enterprises, LLC ("AEE") and Windy City Cellular, LLC ("WCC"), Andilea Weaver, the companies' Chief Operations Officer, met with Commissioner Pai, Nick Degani, Legal Advisor to Commissioner Pai, Jason Suslavich, Staff to Congressman Young, Andrea Sanders, Staff to Senator Begich and Peter Lewis, Staff to Senator Murkowski, regarding the Petitions for Waiver filed by AEE and WCC. The discussion focused on the following points:

AEE explained that the Adak serving area is 1200 miles from Anchorage, AK and there are only (2) two flights a week (Thursday's and Sunday's) offered by only one carrier, (Alaska Airlines). The ticket price to Adak for one passenger is about \$1200.00 - \$1450.00 round trip back to Anchorage, AK. We emphasized the span between Anchorage and Adak Island; would be compared to Washington D.C. to Arizona, a map of Alaska overlaying the continental U.S. was used.

As discussed in previous filings, AEE and WCC maintain the only wireline service on Adak Island. AEE mentioned that the only time Adak Island receives a barge is once a year and the cost to barge items to Adak are placed upon the barge carrier not AEE. AEE stated the barge service sometimes comes out of Seattle and they require a minimum of a Hundred Thousand dollars (a full barge) to come to Adak.

Additionally, AEE and WCC reemphasized the following information:

Small companies like AEE, and WCC can't compete against larger companies when it comes to inappropriate disadvantaged marketing schemes. That the "small" rural companies like AEE and WCC are the back bone of America. Without the needed USF support for places like Adak (AEE) would not have the opportunity to grow a community that desperately depends on telecommunications to succeed.

AEE stated how frustrating it was to deal with the commission on our waiver and the waiver process. AEE mentioned the costs to file a waiver was well over half a million and this does not account for the



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excess work AEE's staff has had to endure. Mr. Mayes stated he personally showed two communication providers the telecommunication system on Adak after the Navy left in 1996 and the two providers denied wanting to serve the island as the LEC. One of which states they won't let the "island go dark". AEE mentioned it's being scrutinized now by following the regulations and providing essential telecommunication service to Adak prior to the USF transformation order; just because it's a high cost area to serve, and that the USF policy has changed to where "rural " funding in the hi-cost areas are excessive due to the lack of customers living in our serving area.

AEE provided an organizational chart showing the personnel levels in 2010 to current 2012 levels with slashes marked a crossed the recent laid- off personnel in 2013. AEE stated that this is personal having to lay off about 50% of staff since the waiver process started and being required to justify the work they do, and what the executives do.

AEE mentioned that our petition for a waiver was denied, but that we could file for reconsideration within 6 months of the denial. AEE's next action items were to look at taking additional salary cuts, closing the retail store, additional employee cuts, and relocation of the Administration office.

AEE is concerned that with all the cuts and still being required to meet the FCC deadlines, the CALEA requirements, the OSHA standards and the many other regulations imposed, that they are being forced to set themselves up to fail, just waiting for an "accident to happen". That the concern is about cutting cost in a hi-cost area without thinking about the real cost if safety becomes an issue.

AEE and WCC stated that in the denial waiver it was mentioned that AEE had too many vehicles and that the administrative office is above what meets the needs of the companies. AEE mentioned prior to the waiver the Administrative office was full of employees and this is where AEE and WCC host the Broadband service for the entire island, that the Vehicles and equipment in question were purchased to assist in laying fiber optics from trenching the ditches to splicing and installing the NID's on the customers homes.

AEE physically showed the Administrative Offices and its contents to Commissioner Pai, Nick Degani, Legal Advisor to Commissioner Pai, Jason Suslavich, Staff to Congressman Young, Andrea Sanders, Staff to Senator Begich, and Peter Lewis, Staff to Senator Murkowski.

AEE proceeded with a walk thru of the building outlining the paintings on the walls as "inspirational art work" for AEE employees, to the emptiness of the building due to the lay-offs. AEE also mentioned the



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location of the building and that it was not in a prime commercial location that we are located behind a trailer park on the low end of town.

Respectfully submitted,

Andilea Weaver
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Anchorage, AK 99508